REQUIREMENTS MEASUREMENT PLAN

FOR

C-17 GLOBEMASTER III SUSTAINMENT PARTNERSHIP

Contract Number: FA8614-04-C-2004

Contractor:
McDonnell Douglas Corporation
a Wholly-Owned Subsidiary of the Boeing Company

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1.0 Performance Measures

Globemaster Sustainment Measurements include Award Fee related metrics and other performance metrics that are intended to assess the Contractor's compliance with the requirements of the PWS during FY04-08. The major overarching measure of support to the C-17 fleet is the quantity of aircraft available to the entire C-17 fleet to perform their daily mission requirements. This metric is measured as Globemaster Sustainment Aircraft Availability (GSAA).

This plan describes GSAA and the other contract measures and provides an explanation of the data sources, methodology employed, and levels of required/desired performance. These measures are:

- Globemaster Sustainment Aircraft Availability (GSAA).
- Flying Hours Achievable (FHA)
- Issue Effectiveness (IE)
- MICAP Effectiveness (MICAP)
- Depot Maintenance Scheduling Effectiveness (DMSE)
- Customer Satisfaction

1.1 Globemaster Sustainment Aircraft Availability (GSAA)

Required Performance: Maximize number of aircraft available for missions
(The UK aircraft are included in the GSAA measurement).

Table 1					
	FY 04	**FY05**	**FY06**	**FY 07**	**FY08**
Requirement: *	75.0	76.3	77.6	78.4	79.1

* Average of monthly values (see Table 4 below) before adjustments for additional MOD aircraft and/or TNMCM greater than AMC monthly standard.

Table 2		
	Government	**Contractor**
Joint Performance Monitor	ASC/YCL	SSIPT
Data Collection Office	AMC/A4	SSIPT

Table 3	
Database	G0-81/ REMIS

Explanation of Measure

Define Measure: This measure provides total C-17 force availability of using commands fleet assets, and reflects the percentage of mission-available aircraft relative to the total fleet assigned. The purpose of this measure is to limit depot possessed non-mission capable (NMC) aircraft within the programmed Back-up Aircraft Inventory (BAI) allowance as much as possible, and to minimize the number of NMC aircraft possessed by using Commands. To determine who has accountability of an aircraft the following rules apply.

1.Using Commands normally possess a C-17 in possession code IF or TF. Any NMC time chargeable in this possession code is considered possessed NMC time.

2.Using Commands can also place an aircraft in possession code BQ yet not be accountable. Possession code BQ is used to put an aircraft into a "not chargeable to unit NMC" status awaiting depot/contractor provided direction on what to do with a broken aircraft that is beyond the using Commands repair capability. An example would be a request for Request for Engineering Disposition Instructions/Engineering Disposition (REDI/ED) has been submitted, and NMC time is chargeable to depot/contractor while REDI/ED is prepared. The resulting NMC time is chargeable as depot NMC time.

3.Aircraft in any possession code of DJ, DK, DM, and DO are possessed by depot/contractor. An example of aircraft in these possession codes would be those in GRIP, MOD (i.e. ARC-210), Paint, ACI, CFT (i.e. RAMS), warranty work or depot repair. Therefore, the resulting NMC time is chargeable as depot NMC time. Although this measure is focused on total GSAA, the contractor must be responsive to the small AETC, PACAF, ANG, AFRES and FMS fleet requirement to optimize aircraft availability due to the absence of BAI aircraft. This calculation will not include aircraft assigned or loaned for flight test.

4.The annually negotiated GRIP work plan shall remain within the programmed BAI to the greatest extent possible. GRIP work plan deviations that require aircraft above programmed BAI will count those aircraft exceeding BAI as MOD aircraft. For measurement purposes, MOD aircraft (as a percentage of Total Aircraft Inventory) will be used to adjust the monthly-required GSAA performance measures ("Adjusted GSAA Performance Requirement").

Measure Start/End: Measured monthly beginning on the first day of month and ending on the last day of month. The monthly measures are then collected over the annual period of performance and averaged. At the end of each month, the GSAA Performance Requirement will be adjusted to compensate for actual additional MOD aircraft and/or TNMCM greater than AMC Standard as reported in G081.

For a period not to exceed 90 days from the close of Government surge/contingency activities, Boeing will be granted performance measurement relief in the event that support causes performance metric variances greater than 5% percent worse than the previous 12 months average measured prior to the beginning of surge/contingencies. In this event, the period of the variance, not to exceed 3 months, will be considered as a non-event for the performance measurement calculation.

Requirement Calculation: GSAA% is equal to 100% minus the product of Primary Aircraft Inventory (PAI) times 12.5%, plus BAI, plus percentage of the TAI (Variance), plus CFT aircraft (3 in FY 04, 4 in FY 05, 5 in FY 06 – 08, divided by the TAI aircraft, expressed as a monthly percentage. The average is determined monthly with an assessment of total fleet hours as reported in G081. The formula for this calculation is as follows:

FY 04 - GSAA% = 100% – {[(PAI * 0.125) + BAI + (TAI*0.03) + 3CFT] ÷ TAI}*100%

FY 05 - GSAA% = 100% – {[(PAI * 0.125) + BAI + (TAI*0.02) + 4CFT] ÷ TAI}*100%

FY 06 - GSAA% = 100% – {[(PAI * 0.125) + BAI + (TAI*0.01) + 5CFT] ÷ TAI}*100%

FY 07 - GSAA% = 100% – {[(PAI * 0.125) + BAI + (TAI*0.01) + 5CFT] ÷ TAI}*100%

FY 08 - GSAA% = 100% – {[(PAI * 0.125) + BAI + (TAI*0.01) + 5CFT] ÷ TAI}*100%

Total fleet hours represent the hours for an aircraft day (24 hours) times the quantity of aircraft in the fleet during the reporting period

Performance Calculation: GSAA is measured using G081 Fleet Availability. If the actual monthly G081 NMCM rate exceeds the AMC standard of 9.4%, then a certain percentage the difference of the excess will be added to the actual G081 Fleet Availability value. The percentages of the excess are as follows: FY 04 = 70%, FY 05 = 60%, FY 06-08 = 50%. In addition, if the number of user approved and negotiated Mod aircraft is above BAI, then Tables 4-8 will be used to determine the adjusted GSAA requirement. The annual performance will be the 12 month average of the adjusted GSAA requirement.

Definitions:

TAI: Total Aircraft Inventory – Total active inventory of aircraft assigned to operating forces for mission, training, or maintenance functions. TAI equals Primary Aircraft Inventory (PAI) plus Back-up Aircraft Inventory (BAI). For FYs 04 – 08, this number also includes the four UK aircraft.

PAI: Primary Aircraft Inventory – Primary aircraft inventory assigned to a unit for performance of its wartime mission and/or technical and specialized training of aircrew.

BAI: Back-up Aircraft Inventory – Depot-allocated aircraft authorized above the PAI to permit scheduled and unscheduled maintenance, modifications, inspections, and repair without reduction of aircraft available for operational missions.

Depot NMC (Not Mission Capable) - Aircraft possessed by AFMC or Contractor for the purposes of inspecting, maintaining or modifying the C-17 fleet. Depot NMC aircraft are not available to AMC, AETC, ANG for daily operations.

Possessed NMC: Aircraft possessed by AMC, AETC, PACAFANG, AFRES, or FMS considered not capable of supporting their assigned peacetime/wartime mission as a result of maintenance or supply limitations. These aircraft are considered available to AMC, AETC, PACAF, ANG, AFRES, or FMS for daily operations when restored to mission capable (MC) status.

Variance: This variance is included to reflect the historical Depot coding of aircraft at home stations Variance percentage is as follows: FY 04 = 3%, FY05 = 2%, FY06-08 = 1%

GRIP: Global Reach Improvement Program – A C-17 unique depot program that plans and executes annual maintenance, retrofit, and modification of the C-17 fleet. Maintenance and inspection are completed through the CFT, ACI and paint efforts. Retrofit installs upgraded or new systems resulting from production line changes or TCTOs. Modification installs new capability. The prime objective of GRIP is to maintain a homogeneous fleet configuration to maximize availability and capability.

CFT: Contract Field Team – A contract repair team located at Charleston AFB and McChord AFB, available to complete depot level TCTOs and to support the local AMC LG Commander with repairs beyond organizational and intermediate level maintenance capability. Additional CFTs will be deployed in FY 04 to Altus AFB, FY 05 to McGuire AFB, FY 06 to March AFB, and in FY 07 to Travis AFB. A CFT discount is provided to acknowledge it is in the Air Force's interest to utilize the CFT to the fullest extent possible.

ACI: Analytical Condition Inspection - An inspection program completed by Boeing to check and validate the health of the C-17 fleet by sampling a selected portion of that fleet. A depot task.

PAINT: A planned corrosion control program to scuff and paint C-17s every five years, and strip and paint every ten years. A depot task.

MOD: Modification Program - A depot level program required to install new capability onto the C-17 fleet. Modifications are installed at AF direction. The quantity of aircraft in modification at any one time may be over and above the approved GRIP planning level (equal to BAI), dependent upon requirement need date and AF approval. MOD aircraft quantities above the GRIP planning level reflected as a percentage will be used to adjust the monthly GSAA Performance Requirement.

GSAA% PERFORMANCE REQUIREMENT: The monthly-required GSAA value based on the performance calculation formula:

ADJUSTED GSAA% PERFORMANCE REQUIREMENT: The GSAA% Performance Requirement adjusted to reflect additional aircraft undergoing modifications at AF direction. If during any month there are additional aircraft undergoing modifications at AF direction, the percentage of aircraft in modification over and above the approved GRIP planning level (equal to BAI), will be considered in determining the GSAA requirement for that month. Aircraft added for cut-in of new capabilities will be automatically exempted. However, aircraft added because of a problem correction or a new capability and problem correction will be negotiated between the Contracting Officer and Boeing. Aircraft modification performed to a compressed/accelerated schedule at the direction of the AF beyond the normal GRIP planning levels will be exempted. The aircraft scheduled in modification for the Fuel System Redesign will be exempted.

Sample Calculation:

As an example, the GSAA requirement and adjustments for March 2001 are shown here.

Example Assumptions (FY 01 data):

TAI = 67

BAI = 5 Fleet Availability (FA) % = 72.1%

TNMCM % = 17.8% (actual G081 TNMCM data)

Additional Aircraft in MOD status = 2 (actual values used)

A. GSAA % Performance Requirement =

GSAA% = 100% – {[(PAI * 0.125) + BAI + (TAI*0.01) + 2CFT] ÷ TAI}*100%

GSAA% = 100% – {[(62 X 0.125) + 5 + (67X.01) + 2] / 67}*100% = 77.0**%**

B. Adjusted GSAA Performance Requirement (with adjustment for additional aircraft in MOD status)

If during any month there are additional aircraft undergoing modifications at AF direction, the percentage of aircraft in modification over and above the approved GRIP planning level (equal to BAI), will be considered in determining the GSAA requirement for that month. A look-up table will be provided for each month that determines the Adjusted GSAA based on the quantity of additional MOD aircraft divided by the TAI.

Example:

Quantity of MOD Aircraft applied to GSAA Calculation	MOD Adjustment (MOD Qty /TAI)
0 Additional MOD Aircraft	0/67 = 0%
+1 Additional MOD Aircraft	1/67 = 1.5%
+2 Additional MOD Aircraft	2/67 = 3.0%
+3 Additional MOD Aircraft	3/67 = 4.5%
+4 Additional MOD Aircraft	4/67 = 6.0%
+5 Additional MOD Aircraft	5/67 = 7.5%
+6 Additional MOD Aircraft	6/67 = 9.0%
+7 Additional MOD Aircraft	7/67 = 10.4%
+8 Additional MOD Aircraft	8/67 = 11.9%

C. Measured GSAA Performance (where NMCM > AMC Standard)

In the event that the actual monthly TNMCM rate exceeds the AMC Standard of 9.4%, a percentage of the difference of the excess will be added to the actual G081Fleet Availability for measurement purposes (in this example 50% reflected in FY06-08). This reflects a shared responsibility between the Air Force and the Contractor to minimize NMCM.

Example: Per the assumptions, the sample NMCM rate for March 2001 equals 17.8%.

$(17.8\%_{\text{(G081 Actual NMCM)}} - 9.4\%_{\text{ (AMC NMCM Standard)}}) * 0.50 = 4.2\%$

2.1% is then added to the reported Fleet Availability

Measured GSAA Performance = 72.1% + 4.2% = **76.3%**

Example Conclusions:

From **B.** above, the sample Adjusted GSAA Performance Requirement for 2 additional mod aircraft is 74.0% (77.0% - 3.0%).

From **C.** above, the sample Measured GSAA Performance is 76.3%.

Compare the Adjusted GSAA Performance Requirement and the Measured GSAA Performance. For this March 2001 example, the contractor is credited with meeting the Adjusted GSAA Performance Requirement.

Table 4, FY04 Globemaster Sustainment Aircraft Availability											75.0	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
(Contract Schedule) TAI	107	109	110	111	112	114	115	116	117	119	120	121
BAI	9	9	9	9	9	9	9	9	9	9	9	9
NMC /S /M /B (12.5%)	12.3	12.5	12.6	12.8	12.9	13.1	13.3	13.4	13.5	13.8	13.9	14.0
Total NMC	12	13	13	13	13	13	13	13	14	14	14	14
3% Variance	3	3	3	3	3	3	3	3	3	3	3	3
Grip / ACI / Paint	9	9	9	9	9	9	9	9	9	9	9	9
CFT	3	3	3	3	3	3	3	3	3	3	3	3
Total Depot	12	12	12	12	12	12	12	12	12	12	12	12
NMC + Depot Tails	27	28	28	28	28	29	29	29	29	29	29	30
Tails Available	80	81	82	83	84	85	86	87	88	90	91	91
Baseline GSAA	74.3%	74.5%	74.6%	74.7%	74.8%	75.0%	75.0%	75.1%	75.2%	75.4%	75.4%	75.5%
GSAA Markdown Table for Approved MODs												
Approved MOD Aircraft	0	0	0	0	0	0	0	0	0	0	0	0
0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%
2	1.9%	1.9%	1.9%	1.9%	1.9%	1.8%	1.8%	1.8%	1.8%	1.7%	1.7%	1.7%
3	2.9%	2.9%	2.8%	2.8%	2.8%	2.7%	2.7%	2.7%	2.6%	2.6%	2.5%	2.5%
4	3.9%	3.8%	3.8%	3.7%	3.7%	3.6%	3.6%	3.6%	3.5%	3.4%	3.4%	3.3%
5	4.9%	4.8%	4.7%	4.7%	4.6%	4.5%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%
6	5.8%	5.7%	5.7%	5.6%	5.6%	5.5%	5.4%	5.4%	5.3%	5.2%	5.0%	5.0%
7	6.8%	6.7%	6.6%	6.5%	6.5%	6.4%	6.3%	6.3%	6.1%	6.0%	5.9%	5.8%
8	7.8%	7.6%	7.5%	7.5%	7.4%	7.3%	7.2%	7.1%	7.0%	6.9%	6.7%	6.6%
Monthly	74.3%	74.5%	74.6%	74.7%	74.8%	75.0%	75.0%	75.1%	75.2%	75.4%	75.4%	75.5%
Quarterly	74.3			75.8			75.1			75.4%		
Yearly	75.0%											
Table 4, Adjusted GSAA Performance Requirement												
Measured GSAA Performance												
Actual Fleet Availability	0	0	0	0	0	0	0	0	0	0	0	0
Actual TNMCM	0	0	0	0	0	0	0	0	0	0	0	0
Return TNMCM Share	0	0	0	0	0	0	0	0	0	0	0	0
Monthly	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Quarterly	0.00%			0.00%			0.00%			0.00%		
Yearly	0.00%											

Table 5, Part 1 - FY05 Globemaster Sustainment Aircraft Availability											76.3	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
TAI	122	124	125	126	127	129	130	131	133	134	135	137
BAI	9	9	9	9	9	9	9	9	9	9	9	9
NMC /S /M /B (12.5%)	14.1	14.4	14.5	14.6	14.8	15.0	15.1	15.3	15.5	15.6	15.8	16.0
Total NMC	14	14	15	15	15	15	15	15	16	16	16	16
(Note AMC recommends 1%)												
Variance	2	2	3	3	3	3	3	3	3	3	3	3
Grip / ACI / Paint	9	9	9	9	9	9	9	9	9	9	9	9
CFT	4	4	4	4	4	4	4	4	4	4	4	4
Total Depot	13	13	13	13	13	13	13	13	13	13	13	13
NMC+Var+Depot Tails	30	30	30	30	30	31	31	31	31	31	31	32
Tails Available	92	94	95	96	97	98	99	100	102	103	104	105
Baseline GSAA	75.8%	75.9%	76.0%	76.1%	76.1%	76.3%	76.4%	76.4%	76.6%	76.6%	76.7%	76.8%
GSAA Markdown Table for Approved MODs												
Approved MOD Aircraft	0	0	0	0	0	0	0	0	0	0	0	0
0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
2	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%
3	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
4	3.4%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
5	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%
6	5.1%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
7	5.9%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%
8	6.8%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%
Monthly	75.8%	75.9%	76.0%	76.1%	76.1%	76.3%	76.4%	76.4%	76.6%	76.6%	76.7%	76.8%
Quarterly		75.9%			76.2%			76.5%			76.7%	
Yearly	76.3%											

Table 5, Part 2 - Adjusted GSAA Performance Requirement												
											Measured GSAA Performance	
Actual Fleet Availability	0	0	0	0	0	0	0	0	0	0	0	0
Actual TNMCM	0	0	0	0	0	0	0	0	0	0	0	0
Return TNMCM Share	0	0	0	0	0	0	0	0	0	0	0	0
Monthly	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Quarterly		0.00%			0.00%			0.00%			0.00%	
Yearly	0.00%											

Table 6, FY06 Globemaster Sustainment Aircraft Availability											77.6%	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
(Contract Schedule) TAI	138	139	140	141	143	144	145	147	148	149	151	152
BAI	9	911	9	9	9	9	9	9	9	9	9	9
NMC /S /M /B (12.5%)	16.1	16.3	16.4	16.5	16.8	16.9	17.0	17.3	17.4	17.5	17.8	17.9
Total NMC	16	16	16	17	17	17	17	17	17	18	18	18
Variance	1	1	1	1	1	1	1	1	1	1	2	2
Grip / ACI / Paint	9	9	9	9	9	9	9	9	9	9	9	9
CFT	5	5	5	5	5	5	5	5	5	5	5	5
Total Depot	14	14	14	14	14	14	14	14	14	14	14	14
NMC + Depot Tails	32	32	32	32	32	32	32	33	33	33	33	33
Tails Available	106	107	108	109	111	112	113	114	115	116	118	119
Baseline GSAA	77.2%	77.2%	77.3%	77.4%	77.5%	77.6%	77.6%	77.7%	77.8%	77.9%	78.0%	78.0%
GSAA Markdown Table for Approved MODs												
Approved MOD Aircraft	0	0	0	0	0	0	0	0	0	0	0	0
0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
2	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.3%	1.3%	1.3%
3	2.2%	2.2%	2.1%	2.1%	2.1%	2.1%	2.1%	2.0%	2.0%	2.0%	2.0%	2.0%
4	2.9%	2.9%	2.9%	2.8%	2.8%	2.8%	2.8%	2.7%	2.7%	2.7%	2.6%	2.6%
5	3.6%	3.6%	3.6%	3.5%	3.5%	3.5%	3.4%	3.4%	3.4%	3.4%	3.3%	3.3%
6	4.3%	4.3%	4.3%	4.3%	4.2%	4.2%	4.1%	4.1%	4.1%	4.0%	4.0%	3.9%
7	5.1%	5.0%	5.0%	5.0%	4.9%	4.9%	4.8%	4.8%	4.7%	4.7%	4.6%	4.6%
8	5.8%	5.8%	5.7%	5.7%	5.6%	5.6%	5.5%	5.4%	5.4%	5.4%	5.3%	5.3%
Monthly	77.2%	77.2%	77.3%	77.4%	77.5%	77.6%	77.6%	77.7%	77.8%	77.9%	78.0%	78.0%
Quarterly	77.2%			77.5%			77.7%			78.0%		
Yearly	77.6%											
Table 6, Adjusted GSAA Performance Requirement												
Measured GSAA Performance												
Actual Fleet Availability	0	0	0	0	0	0	0	0	0	0	0	0
Actual TNMCM	0	0	0	0	0	0	0	0	0	0	0	0
Return TNMCM Share	0	0	0	0	0	0	0	0	0	0	0	0
Monthly	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Quarterly	0.00%			0.00%			0.00%			0.00%		
Yearly	0.00%											

Table 7, FY07 Globemaster Sustainment Aircraft Availability											78.4%	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
(Contract Schedule) TAI	153	154	155	157	158	159	161	162	163	165	166	167
BAI	9	9	9	9	9	9	9	9	9	9	9	9
NMC /S /M /B (12.5%)	18.0	18.1	18.3	18.5	18.6	18.8	19.0	19.1	19.3	19.5	19.6	19.8
Total NMC	18	18	18	19	19	19	19	19	19	20	20	20
Variance	2	2	2	2	2	2	2	2	2	2	2	2
Grip / ACI / Paint	9	9	9	9	9	9	9	9	9	9	9	9
CFT	5	5	5	5	5	5	5	5	5	5	5	5
Total Depot	14	14	14	14	14	14	14	14	14	14	14	14
NMC + Depot Tails	34	34	34	34	34	34	35	35	35	35	35	35
Tails Available	119	120	121	123	124	125	126	127	128	130	131	132
Baseline GSAA	78.1%	78.1%	78.2%	78.3%	78.4%	78.4%	78.5%	78.6%	78.6%	78.7%	78.7%	78.8%
GSAA Markdown Table for Approved MODs												
Approved MOD Aircraft	0	0	0	0	0	0	0	0	0	0	0	0
0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
2	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
3	2.0%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.8%	1.8%	1.8%	1.8%
4	2.6%	2.6%	2.6%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.4%	2.4%	2.4%
5	3.3%	3.2%	3.2%	3.2%	3.2%	3.1%	3.1%	3.1%	3.1%	3.0%	3.0%	3.0%
6	3.9%	3.9%	3.9%	3.8%	3.8%	3.8%	3.7%	3.7%	3.7%	3.6%	3.6%	3.6%
7	4.6%	4.5%	4.5%	4.5%	4.4%	4.4%	4.3%	4.3%	4.3%	4.2%	4.2%	4.2%
8	5.2%	5.2%	5.2%	5.1%	5.1%	5.0%	5.0%	4.9%	4.9%	4.8%	4.8%	4.8%
Monthly	78.1%	78.1%	78.2%	78.3%	78.4%	78.4%	78.5%	78.6%	78.6%	78.7%	78.7%	78.8%
Quarterly	78.1%			78.4%			78.6%			78.7%		
Yearly	78.4%											
Table 7, Adjusted GSAA Performance Requirement												
Measured GSAA Performance												
Actual Fleet Availability	0	0	0	0	0	0	0	0	0	0	0	0
Actual TNMCM	0	0	0	0	0	0	0	0	0	0	0	0
Return TNMCM Share	0	0	0	0	0	0	0	0	0	0	0	0
Monthly	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Quarterly	0.00%			0.00%			0.00%			0.00%		
Yearly	0.00%											

Table 8, FY08 Globemaster Sustainment Aircraft Availability											79.1 %	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
(Contract Schedule) TAI	169	170	171	172	173	175	176	177	179	180	180	180
BAI	9	9	9	9	9	9	9	9	9	9	9	9
NMC /S /M /B (12.5%)	20.0	20.1	20.3	20.4	20.5	20.8	20.9	21.0	21.3	21.4	21.4	21.4
Total NMC	20	20	20	20	21	21	21	21	21	21	21	21
Variance	2	2	2	2	2	2	2	2	2	2	2	2
Grip / ACI / Paint	9	9	9	9	9	9	9	9	9	9	9	9
CFT	5	5	5	5	5	5	5	5	5	5	5	5
Total Depot	14	14	14	14	14	14	14	14	14	14	14	14
NMC + Depot Tails	**36**	**36**	**36**	**36**	**36**	**37**	**37**	**37**	**37**	**37**	**37**	**37**
Tails Available	**133**	**134**	**135**	**136**	**137**	**139**	**139**	**140**	**142**	**143**	**143**	**143**
Baseline GSAA	**78.9%**	**78.9%**	**79.0%**	**79.0%**	**79.1%**	**79.1%**	**79.2%**	**79.2%**	**79.3%**	**79.3%**	**79.3%**	**79.3%**
GSAA Markdown Table for Approved MODs												
Approved MOD Aircraft	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
0	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
1	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**
2	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.1%**	**1.1%**	**1.1%**	**1.1%**	**1.1%**	**1.1%**	**1.1%**
3	**1.8%**	**1.8%**	**1.8%**	**1.7%**	**1.7%**	**1.7%**	**1.7%**	**1.7%**	**1.7%**	**1.7%**	**1.7%**	**1.7%**
4	**2.4%**	**2.4%**	**2.3%**	**2.3%**	**2.3%**	**2.3%**	**2.3%**	**2.3%**	**2.2%**	**2.2%**	**2.2%**	**2.2%**
5	**3.0%**	**2.9%**	**2.9%**	**2.9%**	**2.9%**	**2.9%**	**2.8%**	**2.8%**	**2.8%**	**2.8%**	**2.8%**	**2.8%**
6	**3.6%**	**3.5%**	**3.5%**	**3.5%**	**3.5%**	**3.4%**	**3.4%**	**3.4%**	**3.4%**	**3.3%**	**3.3%**	**3.3%**
7	**4.1%**	**4.1%**	**4.1%**	**4.1%**	**4.0%**	**4.0%**	**4.0%**	**4.0%**	**3.9%**	**3.9%**	**3.9%**	**3.9%**
8	**4.7%**	**4.7%**	**4.7%**	**4.7%**	**4.6%**	**4.6%**	**4.5%**	**4.5%**	**4.5%**	**4.4%**	**4.4%**	**4.4%**
Monthly	**78.9%**	**78.9%**	**79.0%**	**79.0%**	**79.1%**	**79.1%**	**79.2%**	**79.2%**	**79.3%**	**79.3%**	**79.3%**	**79.3%**
Quarterly	**78.9%**			**79.1%**			**79.2%**			**79.3%**		
Yearly	**79.1%**											
Table 8, Adjusted GSAA Performance Requirement												
Measured GSAA Performance												
Actual Fleet Availability	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Actual TNMCM	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Return TNMCM Share	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Monthly	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Quarterly	**0.00%**			**0.00%**			**0.00%**			**0.00%**		
Yearly	**0.00%**											

1.2 Flying Hours Achievable

(This Metric is Not Applicable to UK Sustainment)
Required Performance: Maintain highest level of flying hours available for Wartime mission availability based on WSMIS/SAM reporting IAW AFI 10-201.

Table 1					
	FY04	**FY05**	**FY06**	**FY07**	**FY08**
Requirement:	95%	95%	95%	95%	95%

Table 2		
	Government	**Contractor**
Joint Performance Monitor	ASC/YCL	CIMM/Supply Support
Data Collection Office	AMC/A4	CIMM/Supply Support

Table 3	
Database	WSMIS/SAM (D087G&H)

Explanation of Measure

Define Measure: This metric measures the small population of high-use, critical, repairable items that must be on hand somewhere in the retail supply inventory to successfully complete the worst-case wartime scenarios. It is the wartime flying hours achievable, limited by the available spares in retail systems, compared with number of required hours to fly wartime missions as compiled and computed by WSMIS/SAM, expressed as a percentage. This metric is used as a predictor of wartime supply support based on past supply demand rates and current worldwide serviceable asset availability. This metric will also be used as an indicator of the contractor's successful integration of weapon system support management. In the event the FHA requirement is not achieved at the end of the year due to "common" item (non F77 managed items) supportability, and the contractor has taken all reasonable management actions as a CIMM to resolve the supportability problems, the FHA will be recalculated excluding those months where the common item supportability drove FHA below the requirement.

Measure Start/End: Reviewed weekly by AMC and Boeing, it is measured the first whole week of each month as a point-in-time snapshot. The 60-day grace period from the time RSP kits issue until it is reconciled and activated will not be counted**.** Actual performance will be collected monthly and averaged in the cumulative manner as stated in the performance calculation section. A cumulative average will be assessed quarterly to determine contractor performance. The monthly measures collected and averaged over the annual period of performance will determine if requirements have been met.

Performance Calculation: Performance is calculated based on percent of wartime flying hours that can be achieved given current spares availability as compiled by WSMIS/SAM.

1.3 MICAP

Required Performance: Provide MICAP Services for any F77 MICAP priority demand with an Urgency of Justification Code (UJC) of 1A (NMCS) delivering assets within continental United States (CONUS) within 48 hours from the time of demand (96 hours in the case of UK Sustainment).

Table 1					
	FY04	**FY05**	**FY06**	**FY07**	**FY08**
Requirement:	80	80	80	80	80

Table 2		
	Government	**Contractor**
Joint Performance Monitor	SSM - DCMC/RYOB	CIMM/Supply Support
Data Collection Office	AMC/A4 AETC/LGS ANGRC/LGS ASC/YC - UK	CIMM/Supply Support

Table 3	
Database	MICAP log and Standard Base Supply System (SBSS) UK – UK Team

Explanation of Measure

Define Measure: This metric reflects the contractor's responsiveness to critical supply stock out conditions in terms of delivery time. MICAP response times will be measured for all items requested with the contractor's routing identifier/source of supply code.

Measure Start/End: An event starts when the Government performance monitor requests MICAP services for priority demands with an UJC of 1A. The time documented on the MICAP log is the start time. An event ends when the item is received at the delivery location and entered into the SBSS. If not entered into SBSS the joint performance monitors are responsible for capturing the end date. Actual performance will be collected monthly and averaged in the cumulative manner. A cumulative average will be assessed quarterly to determine contractor performance. The monthly measures collected and averaged over the annual period of performance will determine if requirements have been met.

Performance Calculation:

Event categorizes are defined as follows:

- Successfully Completed Event: is defined as any event that ends within the metric time constraint (48 hours CONUS; 96 hours in the case of UK sustainment).

Performance is calculated in the following manner:

- The number of successfully completed events is divided by the total number of completed events.
- The calculated fractional value is multiplied by 100 to obtain a percentage value.

Example:

Number of successfully completed events:	92
Number of completed events:	100
Performance calculation:	92/100 = .92 x 100 = 92.0%

1.4 Aircraft Depot Maintenance Scheduling Effectiveness (DMSE)

Required Performance: Completion of scheduled maintenance tasks and negotiated and approved work, including over and above (O&A) work requirements within the negotiated schedule time.

Table 1					
	FY04	**FY05**	**FY06**	**FY07**	**FY08**
Requirement:	98-101%	98-101%	98-101%	98-101%	98-101%

Table 2		
	Government	**Contractor**
Joint Performance Monitor	ASC/YCL - DCMC/RYOA	Modifications IPT
Data Collection Office	ASC/YCL - DCMC/RYOA	Modifications IPT

Table 3	
Database	The Boeing Modifications Work List and DD Form 1149s.

Explanation of Measure

Define Measure: The Government and the contractor shall negotiate schedules for tasks such as analytical condition inspections, paint/de-paint, modifications and retrofits using the GRIP process. The rationale for this measure is to maximize the amount of work accomplished within the negotiated aircraft induction and return schedule. Early return of aircraft is allowed. 30 days before aircraft induction into depot status, the initial required work and schedule (including start and end dates) will be negotiated. The Boeing Modifications Work List will reflect the negotiated agreement. Additional over & above work may be identified after the schedule is negotiated. As such, a new schedule may have to be negotiated.

The combination of the aircraft's start date and the subsequent delivery date to the government is a completed event. In order for an event to be recorded in a given month, the event must end in that month.

Measure Start/End: The AFTO Form 103, PART A, Block 5 will contain the Scheduled Input Date of the aircraft and will constitute the scheduled start of an event.

The current (APPROVED) GRIP Schedule will indicate the scheduled end of an event.

Upon the contractor's request, the Government representative, will compare the aircraft's maintenance record with the final negotiated work list. If the Government and the contractor agree that all required work is complete, the AUTHORIZED Government

Representative will sign the exceptional release in the aircraft AFTO 781H. This constitutes the actual end of the event.

Performance Calculation:

Performance is calculated in the following manner:

- The number of actual days for all events in the evaluation period is divided by the scheduled number of days required to complete all events.
- The calculated fractional value is multiplied by 100 to obtain a percentage value.

Example:

Sum of actual days for all completed events in the evaluation period: 187

Scheduled number of days required to complete all events: 190

Performance calculation: 187/190 = .984 x 100 = 98.4%

1.5 Issue Effectiveness

Required Performance: Maintain high issue effectiveness at the Main Operating Base standard base supply system for all assets for which the contractor is the ICP, excluding non-stock listed assets. The government wants the contractor to look at all factors e.g. F77 parts, cataloging of parts and unknowns.

Table 1						
		FY 04	**FY 05**	**FY 06**	**FY07**	**FY 08**
Requirement:	XD items	82%	82%	82	82%	82%
Requirement:	All Others	67%	75%	78%	80%	80%

Table 2		
	Government	**Contractor**
Joint Performance Monitor	SSM	CIMM/Supply Support
Data Collection Office	AMC/A4 AETC/LGS ANGRC/LGS ASC/YC - UK	CIMM/Supply Support

Table 3	
Database	Standard Base Supply System (SBSS) (D002A) UK – UK Team input

Explanation of Measure

Define Measure: This metric is based on issue effectiveness rates by line items requested for each individual base each month. This metric includes all issue requests for assets for which the contractor is the ICP. This metric provides incentive to accurately forecast requirements rather than reacting to past demands. Actions such as responsive stocklisting and pushing correct levels will enhance the contractor's capability to provide enhanced support. For new base activation, I.E. (XD items and "all others") from that

base will be measured but not be counted in the overall I.E. from first aircraft delivery to last aircraft delivery.

Measure Start/End: Actual performance will be collected monthly and averaged. A cumulative average will be assessed quarterly to determine contractor performance. The monthly measures collected and averaged over the annual period of performance will determine if requirements have been met.

Performance Calculation: Performance is calculated by dividing the number of line items issued by the number of line items requested during each quarter.

1.6 Customer Satisfaction

Required Performance: To ensure customer satisfaction using the Shared Destiny/Operating Principles from the C-17 Yellow Card across eleven focus areas of the PWS.

Table 1					
	FY04	**FY05**	**FY06**	**FY07**	**FY08**
Requirement:	2-5	2-5	2-5	2-5	2-5

Table 2		
	Government	**Contractor**
Joint Performance Monitor	ASC/YCL - DCMC/RYOA	Integration IPT
Data Collection Office	ASC/YCL - DCMC/RYOA	Integration IPT

Table 3	
Database	Customer Satisfaction Survey

Explanation of Measure

Define Measure: Six criteria from the Shared Destiny/Operating Principles from the C-17 Yellow Card are used for scoring eleven focus areas of the PWS. The criteria used is: provided open and honest communication, exhibited trust, participated in and practiced teamwork, met commitments and was timely and responsive, was proactive and pursued continuous improvement and quality of output, products and services. Each criteria is given a score of 2 through 5 based on the following criteria:

CUSTOMER SATISFACTION RATINGS		
5	Exceptional	Contractor's performance of virtually all contract tasks is consistently noteworthy and provides numerous significant, tangible or intangible, benefits to the government. There are minimal areas for improvement, or recurring problems. Contractor initiates effective corrective action whenever needed.
4	Very Good	Contractor's performance of most contract tasks is consistently above standards and provides benefit to the government. Although some areas require improvement, the contractor takes action to improve those areas. Few recurring problems have been noted, and the contractor takes satisfactory corrective action.
3	Satisfactory	Contractor's performance of most contract tasks is adequate and provides some tangible benefits to the government. While the remainder of the contractor's effort meets the contract tasks, areas requiring improvement are offset by high performance in other areas.
2	Unsatisfactory	Contractor's performance of most contract tasks is inadequate and inconsistent. Quality, responsiveness, and timeliness in many areas require attention and action. Corrective actions have not been taken or are ineffective. Overall unsatisfactory performance shall not earn an award fee.

The eleven areas of the PWS that are evaluated to see to what degree Boeing has worked to the six operating criteria are:

1.1 Program Management

Program Management comprises of managing contractual requirements to maintain a balance between cost, schedule and quality, allocating resources to meet program commitments, timely responses to program concerns and risks using thorough and closed loop planning, accurate and timely data and configuration management and effective supplier management. This includes configuration management, program integration, data access/system interface, surge/contingency support, crisis management support and quality assurance.

1.1.5 Cost Management

Cost Management includes all aspects of collecting, analyzing, reconciling, and reporting program costs necessary to manage C-17 sustainment efforts. Cost Management

includes integration of earned value, accurate and timely reporting of funding requirements, controlling costs at or below negotiated costs and providing cause and corrective action for problem areas such as cost overruns.

1.2 Sustaining Logistics

Sustaining Logistics comprises of supporting organizational and intermediate Air Force maintenance, modification and provisioning activities, generating associated data and delivering initial kit-proof copy or advance copy TCTO to support Government scheduled modification activities, updating the PSMS database, managing the SMR code change process, SERD data process, TCTO process CFAE/CFE notices and packaging information.

1.3 Spares Management

Spares Management provides support to fielded aircraft with Spares and Repair Services for Boeing (F77) managed items. This includes management, forecasting, repair, allocation, storage, distribution, and disposal**.**

1.3.2 PSE Management

PSE Management includes acting as the single point manager responsible for integrating and coordinating all PSE end item issues with the SSM, DLA, ALC, AMC, AETC, ASC and any other agency. This includes replacement forecasting, depot level repair, refurbishment, storage, distribution and disposal, delivery and distribution of PSE end items for Main Operating Bases and enroutes to required Allowance Standard levels via interfaces with the SBSS, as coordinated with SPO and AMC.

1.4 Sustaining Engineering

Sustaining Engineering provides the technical expertise in support of user operations and maintenance for aircraft and support equipment to include customer inquiries, investigations, troubleshooting, requirements definition, analysis to sustain airworthiness, mission readiness, system safety and recommendations for design changes that improve operational performance and/or reduce O&S cost.

1.4 Field Services

Field Services provide Base-level Field Engineering Services, Field Service Technical Representative Support, induction of Depot Spares into the repair system, Base-level propulsion system support and Engine Handling Support Equipment to, include the enroutes.

1.5 Depot Level Maintenance

Depot Level Maintenance provides planning and scheduling activities, scheduled and unscheduled maintenance activities, and aircraft recovery missions.

1.7 Engine Management

Engine Management includes all aspects of supporting the C-17 engines by the Contractor to ensure required Serviceable Propulsion Systems (SPS) are produced along with satisfying all requirements related to documentation, Government data systems, parts tracking, change incorporation, engine health and trending diagnostics, and maintaining the F117 Engine Handling Support Equipment.

1.8 Long Range Sustainment Planning

Long Term Sustaining Planning reflects planning efforts to address Boeing's TSSR to include long term sustaining planning, planning to address any current sustainment/support impacts and long-range plans & corrective actions. Panning is to ensure efficient, and consistent support for the C-17. This included TSSR planning and Post Production Support Planning (as directed by the Contracting Officer).

1.9 Air Logistics partnering Support

Air Logistics Partnering Support reflects efforts to transition Core designated workloads, and any other workload mutually agreed to within the partnership, to the designated Technology Repair Centers as part of C-17 long term sustainment function. This involves partnering, management and integration, implementation requirements definition/analysis, and ALC activation support activities.

3.0 UK Sustainment

UK Sustainment provides the unique UK C-17 Sustainment tasks set forth in PWS Section 3.0.

Measure Start/End: The Customer Satisfaction Survey will be distributed four times a year to coincide with the Award Fee schedule and will cover 3 months at a time. The survey will be distributed to the SPO, SSM, using commands, DCMA.

Performance Calculation: The overall rating is calculated by averaging the scores given against each area and then averaging all areas. Each area is weighed is weighed equally. For example:

	PWS Para	Area	Period 1	Period 2	Period 3	Period 4
1	1.1	Program Management	5	4	5	4
2	1.1.5	Cost Management	5	5	5	5
3	1.2	Sustaining Logistics	5	5	5	5
4	1.3	Spares Management	4	5	4	5
5	1.3.2	PSE Management	4	5	4	5
6	1.4	Sustaining Engineering	4	4	4	4
7	1.4	Field Services	5	5	5	5
8	1.5	Depot Level Maintenance	5	5	5	5
9	1.7	Engine Management	4	4	4	4
10	1.8	Long Range Sustainment Planning	5	3	5	3
11	3.0	UK Sustainment	4	4	4	4
Average per period			4.55	4.45	4.55	4.45